



Department of Justice

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AREA MAN PLEADS GUILTY TO \$1.7 MILLION FRAUD

Opened more than 700 fraudulent credit card accounts

CINCINNATI - William M. Kinnaird, Jr, age 44 of Crestwood, Kentucky pled guilty in United States District Court here to one count of mail fraud and one count of credit card fraud for cheating financial institutions out of more than \$1.7 million between 1995 and January 2006. Kinnaird opened more than 700 fraudulent credit card accounts as part of the scheme.

Gregory G. Lockhart, United States Attorney for the Southern District of Ohio, and Gerald A. O'Farrell, Assistant Inspector in Charge, United States Postal Inspection Service, announced the pleas entered late yesterday before Chief United States District Judge Sandra S. Beckwith.

According to a statement of facts filed with the pleas, Kinnaird used more than 160 victim names in the scheme. Kinnaird used either the identities of deceased individuals or created fictitious names and dates of birth.

Kinnaird had the fraudulently obtained cards sent to four Cincinnati-area addresses and his home address in Kentucky. He would use the cards to withdraw cash from ATM's or cash checks written against the credit cards. Kinnaird also admitted setting up a merchant account under the name "Rent an MBA" and fraudulently charging \$820,000 to the credit cards.

Kinnaird kept the scheme going by making regular payments on all of these fraudulent accounts. He tracked every active credit card on his computer at his residence using spreadsheets and files to track balances, payment due dates, available credit and other pertinent information.

Judge Beckwith will determine Kinnaird's sentence under the Federal Sentencing Guidelines, which depend upon a number of factors unique to each case, including the defendant's prior criminal record, if any, his role in the offense and the characteristics of the violation. Kinnaird's sentence cannot exceed the statutory maximum sentence of 30 years of mail fraud and ten years for credit card fraud. The sentence may be less than the maximum.

Lockhart commended the Postal Inspectors who conducted the investigation and Assistant U.S. Attorney Anthony Springer, who prosecuted the case.

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